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STATE FOR WHA/CCA AND WHA/CEN

E.O. 12958: DECL: 05/22/2018
TAGS: ETRD ETTC PREL CU NU
SUBJECT: NICARAGUA AND SUSPENSION OF TITLE III OF THE
LIBERTAD ACT

REF: STATE 52541

Classified By: Amb. Paul Trivelli for reason 1.4 b&d.

¶1. (C) Summary: Nicaragua under President Ortega, in contrast to the past three administrations, is establishing closer relations with Cuba. We expect Nicaragua to vote more consistently with Cuba. The trading relationship between the two countries has increased, but continues to be insignificant. Cuban Vice President Laje attended Nicaragua's Food Security Summit on May 7. 140 Cuban doctors are now working in Nicaragua. Cuba provides Nicaraguans with scholarships and medical treatment in Havana. Since Fidel's departure from power, the Nicaragua-Cuba relationship has entered a holding pattern. As events unfold in Cuba, it is unclear how this relationship will change. Post continues to believe that failure to waive Title III of the Libertad Act for Nicaragua would allow Ortega to trumpet U.S. "hostility" toward his government. Post recommends another waiver for Nicaragua. End Summary.

Bilateral Relationship

¶2. (C) While the Cuba-Nicaragua relationship has intensified since President Ortega took office in January 2007, Fidel's withdrawal from power seems to have put the relationship into a holding pattern. The DAO reports that the Nicaraguan Defense Attaché to Cuba is no longer a resident diplomat and only travels to Cuba 3-4 times a year, because of the lack of training or exchanges. We continue to expect Nicaragua to vote in international fora more consistently with Cuba than in the recent past. During the previous three governments, the GON generally voted with the United States on Cuba-related matters and occasionally abstained. The notable exception was when Nicaragua joined international calls for an end to the U.S. embargo of Cuba -- reflecting a disagreement over tactics. Neither President Ortega nor any member of his cabinet has made any statement against Castro or in support of the democratization of Cuba.

Trade and Investment

¶3. (U) Nicaraguan-Cuban bilateral trade declined steadily from 1991 to 2005, but has increased since 2006. Two-way trade between Nicaragua and Cuba totaled USD 550,000 in 2005. It reached USD 6.9 million in 2007, mostly the result of Nicaragua's purchase in March of USD 3.7 million of energy saving light bulbs for distribution to pensioners and the poor. Nicaragua's investment promotion agency, ProNicaragua, reports no significant Cuban investment in Nicaragua since the 1990s. On January 11, 2007 Nicaragua joined the Bolivarian Alternative for Latin America (ALBA), a trade and cooperation agreement, of which Venezuela, Cuba, and Bolivia are members.

Visits

14. (C) Cuban Vice-president Laje attended Nicaragua's Food Security and Sovereignty Summit on May 7. Raul Castro has been invited to participate in the July 19 Sandinista Revolution Day celebrations, but we have no confirmation on his attendance. Ortega visited Cuba in December 2007 to attend the PetroCaribe Summit, and on March 19-20 and April 18-22 of this year for meetings.

Training and Scholarships

15. (C) Post has seen an increase in Cuban training and education assistance, as well as more personnel exchanges with Nicaragua. The Nicaraguan military traditionally used Cuban trainers and Cuban facilities for both military and civilian educations during the 1980s, under Ortega's first term. Despite the current Ortega administration's closer relationship with Cuba, various sources report that the Nicaraguan military has received little if any Cuban training as they consider it ineffective. The military is focusing its training and assistance efforts on European countries, notably Spain, as well as with the United States. Post knows of at least 17 Cuban teachers currently working on the Atlantic Coast of Nicaragua.

16. (C) Cuban medical assistance is the most extensive example of this increased relationship. There are 72 Cuban medical personnel in the Northern Atlantic coast region, all of whom stayed through Hurricane Felix. An additional 70 Cubans augmented this contingent after the hurricane to assist with post-recovery operations, and remained. Cuba now rotates medical staff in and out of the Atlantic Coast region, keeping the overall level at 140. Cuban doctors have also been providing long-term medical care on the outskirts of Managua and rural areas around the country.

17. (C) For years, Cuba has offered full scholarships to Nicaraguan students to attend Cuban universities. According to press reports, over 977 Nicaraguan students are currently in Cuba, mostly studying medicine. Further, under a long-standing agreement, any member of the Nicaraguan military can receive free medical treatment in Havana. In 2007, in a program called Operacion Milagro, over 500 Nicaraguans were transported to Venezuela and Cuba for surgery, primarily for cataracts, paid for by Venezuela. As part of Operacion Milagro, the EU is financing the construction of three ophthalmology centers on the Atlantic coast. Cuban doctors will support and staff these centers. Future operations will be conducted through these clinics, which may decrease the number of patients flying to Cuba and Venezuela. It will also result in an increase in Cuban medical professionals in urban areas on the Atlantic Coast.

Comment

18. (C) Both Cuba and Nicaragua have expressed a desire to continue a strong bilateral relationship. So far, this desire has manifested itself most prominently in the health sector. Post believes that failure to waive Title III of the Libertad Act for Nicaragua would allow Ortega to trumpet U.S. "hostility" toward his new government. Failure to waive Title III would hand hard-core Sandinistas the argument that Cuba and Venezuela are more reliable, generous allies for Nicaragua. Post recommends a waiver of Title III of the Libertad Act for Nicaragua.

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